

***Contents:***

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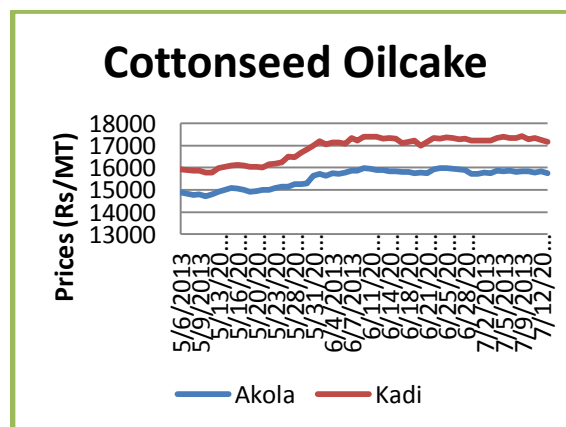
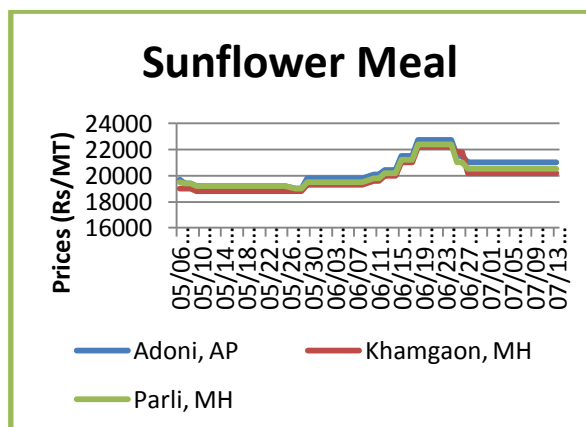
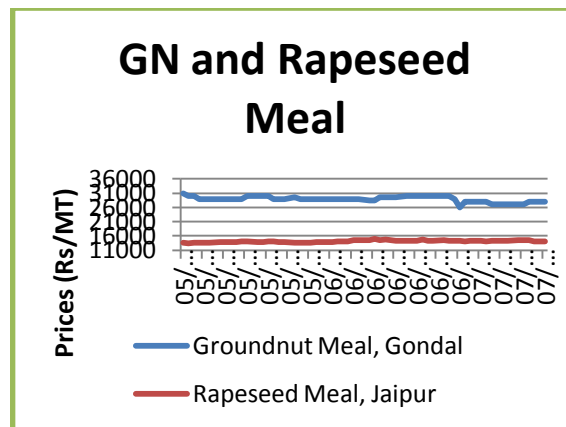
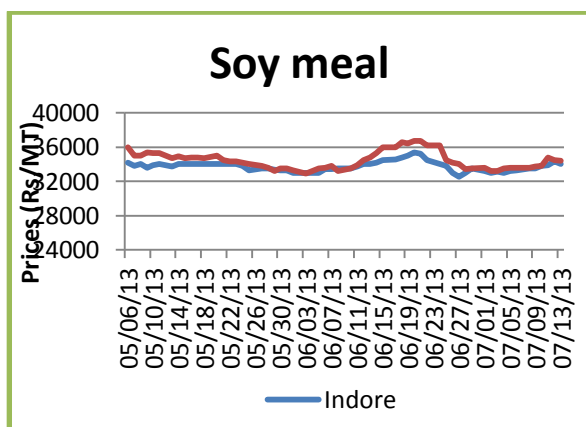
- ❖ Summary
- ❖ Trend – Raw Material, Feed
- ❖ Outlook
- ❖ Spreads
- ❖ Annexure - Prices

## Summary

The key feed ingredients prices witnessed mixed sentiments during the week in review.

Soybean prices were up during the week on strong export demand for soy meal and firm sentiments in the overseas oil & oilseeds markets. Weakening of the Indian rupee over the last few days has helped the exports of soy meal from India. However, strong pace of soybean planting restricted the gains in the market. Mixed sentiments witnessed in most of the major spot markets of maize during last week while Wheat cash market traded almost unchanged amid sluggish trading activities. Overall, feed prices depicted mixed tone during the week under consideration.

## Trend – Raw Material, Feed



Source: AgriWatch

Domestic oilseeds and oil meals witnessed firm sentiments during the week on improved domestic buying activities in oilseeds and good exports demand for meal.

Soybean prices were up during the week on strong export demand for soy meal and firm sentiments in the overseas oil & oilseeds markets. However, strong pace of soybean planting in the key

producing regions has led to expectations of a higher soybean crop output in the current season which restricted the gains in the market. The oilseed planting was reported up by 100.9 per cent at 135.99 lakh ha against 67.70 lakh ha during the same period last year.

Improved buying featured in the beans followed by the recent fall in prices. It is being reported that there are sufficient soybean stocks in the mandis of Madhya Pradesh and higher soybean sowing estimates are adding to the pressure.

On the international front, soybeans on CBOT ruled higher as good demand was witnessed from China for the new crop, which is expected to continue in the coming days. Reports that soybean growth is 2 weeks behind schedule in the northern tier of the growing region, dryness in the Mississippi, Arkansas, and Louisiana area, plus the threat of an early freeze are all seen as contributing factors to the supportive sentiment.

The latest WASDE report released by USDA was considered bearish for the market. The global soybean production for 2013-14 is projected at 285.9 million tons, up 0.6 million tons. US soybean production is projected at 3.42 billion bushels, up 30 million tons due to increased harvested area.

Soy meal witnessed gains due to strong exports demand during the week in review.

Weakening of the Indian rupee over the last few days has helped the exports of soy meal from India. Oil meal exports were up 12 per cent to 348,946 tons in June against 311,089 tons in the same period last year. The recovery in demand for soybean meal from Iran has pushed up overall exports last month.

There has been a sudden surge in soy meal demand, primarily from Iran and the European countries. In June, Iran imported 112,500 tons of soybean meal while Europe bought 82,148 tons. Overall demand from Southeast Asian countries including South Korea, Thailand, Indonesia, Taiwan and Myanmar remained subdued at 138,232 tons.

Besides, the prices of other key feed ingredients largely featured steady tone. Bajra, maize, DCP, MBM, DRB and Mustard de-oiled cake were largely unchanged on stable demand during the week.

Soy meal prices are expected to feature a range-bound movement with firm bias in the near term. Improved overseas demand will continue to lend support to the prices.

According to the latest WASDE report released by USDA, India's total soy meal production for 2013-14 is estimated at 7.92 million tons, up from 7.68 million tons last year. The soy meal exports from India are estimated at 4.25 million tons, lower from 4.39 million tons last year. The projections of production and exports for 2013-14 are 8 million tons and 3.95 million tons respectively.

According to the latest release by SOPA, the export during June 2013 was 2.134 Lac tones as compared to 1.809 lac tones in the same period of previous year showing a increase of approx. 18%. On a financial year basis, the export during April 2013 to June 2013 has been 4.113 Lac tons as compared to 6.558 Lac tons in the same period of previous year showing a decrease of about 37%.

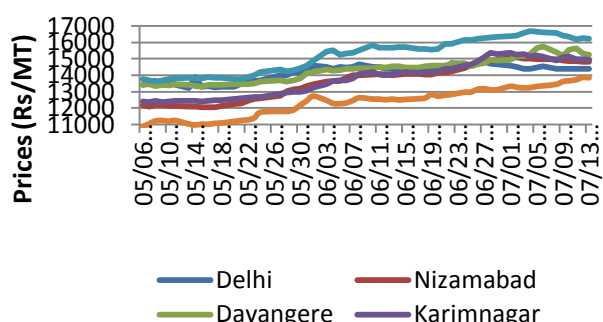
During current Oil year, (October - September), total exports during October 2012 to June, 2013 are 30.082 Lac tons as against 34.417 Lac tons last year, showing a decrease by 12.59%.

The y-o-y fall in the India's soy meal export sales is due to the demand shift towards South America owing to their competitive meal prices. This is due to the peak season in South America.

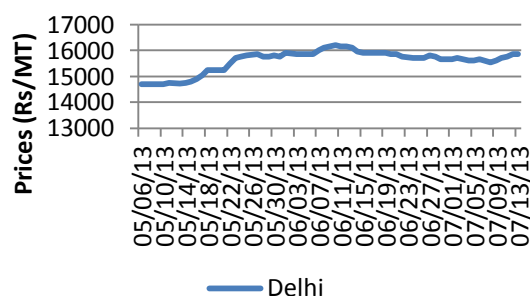
However, India's Y-o-Y soy meal prices have witnessed decline. Soy meal (Jul-Aug) exports price, FOR Kandla exports was quoted between Rs 35,300-35,950/MT compared to 36,750-38,000/MT during the same period last year.

The average weekly soy meal price spread between FAS Kandla and FOB Argentina stood at US at \$59/MT compared to US \$66/MT a week ago, indicating a slight narrowing in prices between Indian and Argentine meal prices. India's soy meal export is at the optimum levels during the period, October thru January, at the considered spread between Indian vs. Argentine meal price between US \$8/MT and US \$15/MT.

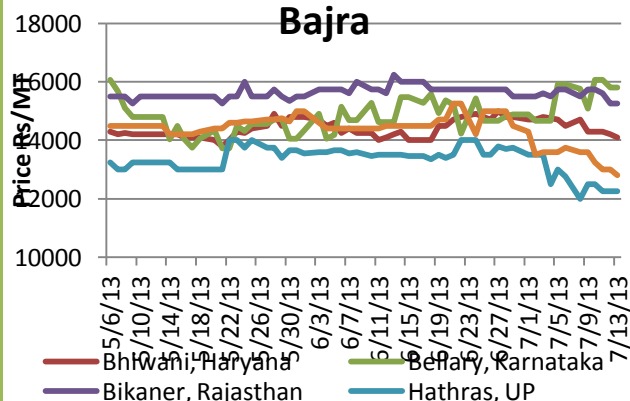
## Maize



## Wheat, Mill Delivery



## Bajra



Source: Agriwatch (Prices: Maize-Industrial/Feed Grade. Wheat-Mill Delivery: Lawrence Road, Delhi)

Mixed sentiments featured in most of the major spot markets of maize during last week.

In Ahmadabad region of Gujarat, poultry and starch feed makers demand was steady as compared to last week, sourced from U.P. Poultry feed makers demand reported for corn in a range of Rs. 1580-1625 per quintal while starch feed makers demand reported for corn in a range of Rs. 1540-1600 per quintal. As per trade sources, Ahmadabad traders have 1 month poultry feed and 2 month starch feed stock in quantity.

First 3 days of last week, market arrivals were disrupted in the khanna market of Punjab due to rainfall. Rest of the days, around 6-7 motors of maize moved towards Khanna market of Punjab in the range of Rs. 1400-1450 per quintal on daily basis, contained 13-14% moisture level, sourced from Bihar. Higher poultry feed makers demand could keep prices firm in the market.

Lower supply amid higher domestic and export demand kept prices of maize firm in the market. Maize is moving towards Bangladesh in a range of Rs. 1500-1525 per quintal, contained around 14-15 % moisture. Meanwhile, Kolkata feed millers demand reported at Rs. 1500 per quintal.

In Nizamabad region of A.P., around 4 lakh bags of maize could be in the hand of stockiest and farmers which was 2.5 lakh during last year same period. Sources revealed that in A.P., total maize stock could be around 18 lakh bags which were 22 lakh during last year same period. Prices could trade firm till the new crop arrivals which would arrive in the September month. Around 11.5 % moisture reported in the crop of A.P.

During the week, red maize traded down in range of Rs. 1300-1350 per quintal sourced from Bihar, contained 17-18 % moisture. Meanwhile, hybrid maize traded steady in a range of Rs.1430-1450 per quintal sourced from U.P. contains 14%-15% moisture level. As per trade sources, around 50,000 quintal of maize stock could be in the Delhi spot market.

As per USDA, U.S. corn export figures reached to 15,322,246 metric tons for the 2012-13 marketing year which is lowered by ~55% from the last marketing year during the same period. Corn exports were down 25% to 265,800 metric tons from the last week but unchanged from the prior 4-week average. Out of total weekly exports of 265,800 MT for the period of Jun 28- July 4, 2013 reported by U.S to Mexico (117,500 MT), Japan (87,000 MT), Venezuela (26,000 MT), and Jamaica (15,700 MT).

As per the latest crop progress report released by USDA, Corn has silked by 16% as of 14th July, 2013 which is below 51% from the last year and 19% from the last 5 year average period. However, 66% corn crop is in good to excellent condition which is up 35% as compared to last year.

Maize prices are trading sideways. One side, higher export and domestic demand amid lack of quality arrivals of maize support maize prices to move up. On the other side, good sowing progress restricts the gains.

As per PIB, coarse cereals have sown above to 65.55 lakh hectares in 2013-14 as compared to 23.01 lakh hectares sown in 2012-13.

In the Ganganagar region of Rajasthan, barley stock could be around 10 lakh bags. Barley is moving towards Kandla port at Rs. 1380 per quintal.

In the Bikaner region of Rajasthan, bajra traded in a range of Rs. 1500-1575 per quintal. Barley traded steady at Rs. 1125 per quintal during last week. As per trade sources, barley stock could be around 20%.

In Hathras region of U.P., sources revealed that barley stock could be around 25,000 bags (1 bag=60 kg). Bajra new crop traded in a range of Rs. 800-1250 per quintal during last week, contained 14-19% moisture level. Sources revealed that bajra prices could trade firm due to higher demand of poultry feed makers.

Wheat cash market traded almost unchanged amid sluggish trading activities. Rains in various parts of the country discouraged the normal course of trading and lower demand against sufficient availability continued to weigh on market fundamentals. Small and bulk buyers are expected to enter into the market for fresh buying from mid July, so that festive demand for wheat products could be met August onward.

South Indian buyers (millers) are sourcing wheat from Rajasthan and M.P. at the rate of Rs 1820 to Rs 1850 per qtl. on delivered basis. Private exporters are not active as outlook for global wheat market remains bearish. With declining prices in Black Sea region and US, parity for Indian private exporters turned negative.

Farmers of Uttar Pradesh, Rajasthan, Bihar and M.P. still have marketable surplus and they are holding back stock in expectation of higher realization in lean season as usual. It may encourage bulk buyers to turn to govt.'s stock to fulfill their needs. It might support price to some extent at lower level.

Wheat is reaching Maharashtra from Madhya Pradesh (Bhopal and Indore region) at Rs 1800-1840/Q. Mill and chakki is buying wheat in Hyderabad from Bhopal at Rs 1750/Q delivered basis. ITC is buying wheat in U.P from Mathura and Kosi region at Rs 1500-1600/Q, according to traders.

As on 11th July 250.84 lakh tonnes wheat has been procured against 378.73 lakh tonnes previous year at the same time. Overall procurement is lagging 33.77% behind from last year and biggest fall in procurement has been witnessed in U.P where only 6.83 lakh tonnes wheat has been procured against 49.81 lakh tonnes due to exporters and domestic trading purchases above MSP.

As on 1st July, Wheat stock in central pool was 423.97 lakh tonnes against 498.08 lakh tonnes as compared to previous year at the same time. Punjab, Haryana and Madhya Pradesh have 171.46, 104.45 and 67.42 lakh tonnes of wheat stock respectively in central pool.

International market is likely to trade steady to weak on better global output. Ongoing harvesting in US, Black Sea region and better expected planting in Canada and Argentina may further pressurize market.

## Outlook

Feed prices are expected to remain steady in the coming days due to the fluctuations in the prices of key feed ingredients. Firmness in soy meal and mustard prices with the stable demand from poultry is expected to provide support.

## Spreads

### Maize Average Weekly spread with Bajra

Week	Aug	Sep	Oct	Nov	Dec	Jan'13	Feb'13	Mar'13	Apr'13	May'13	Jun'13	Jul'13
1	193	117.5	177.0	187.5	213.0	115.0	113.0	86.0	106.0	71.00	-5.0	2.50
2	119	86.67	219.0	213.0	210.0	131.0	82.50	112.5	145.0	33.00	-9.0	29.00
3	90	100.0	270.0	214.0	158.0	170.0	93.75	110.0	154.0	-100.0	-38.0	
4	103	79.0	264.0	238.0	147.0	153.0	102.0	110.0	86.0	-104.0	-49.0	
5	106.0					135.0				-72.0		

\*Market Center: Delhi. Maize – loose price. Maize prices less Bajra

As the table depicts, In Delhi spot market, maize spread with bajra traded firm as compared to last week. Bajra traded down vs. maize. We expect that both commodities could trade slightly down during next week as arrivals from U.P. have started. Considering the above mentioned facts, we expect that maize spread with bajra could continue the positive trend.

### Maize Average Weekly spread with Jowar

Week	Aug	Sep	Oct	Nov	Dec	Jan'13	Feb'13	Mar'13	Apr'13	May'13	Jun'13	Jul'13
1	83	190	150.0	137.0	192.0	205.0	107.0	142.0	265.0	171.0	88.0	175.00
2	46	198.3	180.0	183.0	218.0	190.0	80.0	172.5	322.0	133.0	146	175.00
3	0	208.0	177.0	204.0	169.0	182.5	147.5	178.0	320.0	-23.0	243	
4	17.5	93.0	140.0	142.0	172.0	153.0	170.0	244.0	205.0	0.83	229	
5	122.5					132.5				53.0		

\*Market Center: Delhi. Maize – loose price. Maize prices less Jowar

As the table depicts, maize spread with jowar was unchanged as both commodities traded down during last week. We expect jowar could trade steady during next week and keep maize spread with jowar slightly down as compared to last week.

### Maize Average Weekly spread with Wheat

Week	Aug	Sep	Oct	Nov	Dec	Jan'13	Feb'13	Mar'13	Apr'13	May'13	Jun'13	Jul'13
1	70	-106	-123	-139	-21	-48.0	-90.8	-59.0	-97	67	-132	-112.5
2	28	-142	-188	-170	0.0	-44.0	-143	-14.0	-220	32	-133	-134.0
3	-47	-154	-193	-101	-5.0	4.0	-81.25	-2.50	-179	-140	-87.50	
4	-173	-156	-127	-27	-8.0	-31.0	-47.5	29.0	76.0	-174	-82.50	
5	-167					-62.0				-137		

\*Market Center: Delhi. Maize – loose price. Maize prices less Wheat

As the table depicts, maize spread with wheat was down as wheat traded steady with the downward movement in maize prices during last week. We expect that wheat could trade slightly firm due to increase in demand from millers' side and could keep maize spread with wheat down in the coming weeks.

### Maize Average Weekly spread with Barley

Week	Aug	Sep	Oct	Nov	Dec	Jan'13	Feb'13	Mar'13	Apr'13	May'13	Jun'13	Jul'13
1	133	212	160.0	213.0	242.0	135.0	71.67	152.0	327.5	290.0	213.0	133.0
2	96	201.67	226.0	150.0	268.0	140.0	62.50	189.0	369.0	283.0	185.0	115.0
3	76	234.0	206.0	157.0	168.0	174.0	122.5	239.0	383.0	122.5	143.0	
4	94	143.0	226.0	215.0	172.0	139.0	167.0	294.0	314.0	151.0	147.5	
5	207.5					97.50				196.0		

\*Market Center: Delhi. Maize – loose price. Maize prices less Bajra

As the table depicts, In Delhi spot market, maize spread with barley decreased from last week as barley traded steady during last week. We expect that trend would continue in the near term and keep maize spread with barley intact during next week.

## Annexure

### Oil Meal Prices at Key Spot Markets:

#### Soy DOC Rates at Different Centres

Centers	Ex-factory rates (Rs/ton)		
	12.07.2013	05.07.2013	Parity To
Indore (MP)	34000-34300	32800-33200	Gujarat, MP
Kota	33400-33500	32300-32400	Rajasthan, Del, Punjab, Haryana
Akola	34200-34500	33500	Andhra, Chattisgarh, Orissa, Jharkhand, WB



Hingoli	35000	34500	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Nanded/Latur	-	35000	Andhra, AP, Kar, TN
Dhulia/Jalna	35200	34500	Mumbai, Maharashtra
Nagpur (42/46)	34200-34500	33300-33600	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	-	35500	Local and South
Solapur	35500	34800	Local and South
Bundi	33400-34500	32300	-

**Soy DOC at Port**

Centers	Port Price	
	12.07.2013	05.07.2013
Kandla (FOR) (INR/MT)	36275	35200
Kandla (FAS) (USD/MT)	606	583

**International Soy DOC**

Argentina FOB \$/MT	12.07.2013	05.07.2013	Change
Soybean Pellets	520	500	+20
Soybean Cake Meal	520	500	+20
Soybean Meal	528	508	+20
Soy Expellers	528	508	+20

**Sunflower Meal Rates**

Centers	Ex-factory rates (Rs/ton)		
	12.07.2013	05.07.2013	Change
Adoni	21000	21000	Unch
Khamgaon	20200	20200	Unch
Parli	20500	20500	Unch
Latur	20300	20300	Unch

**Groundnut Meal**

Groundnut Meal	12.07.2013	05.07.2013	Change
Basis 45% O&A, Saurashtra	27200	26000	+1200
Basis 40% O&A, Saurashtra	24200	24000	+200
GN Cake, Gondal	28000	27000	+1000

#### Mustard DOC/Meal

Mustard DOC/Meal	12.07.2013	05.07.2013	Change
Jaipur (Plant Delivery)	14000	14200	-200
Kandla (FOR)	15000	15200	-200
Sri Ganganagar	649	642	+7

#### Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	12 July,2013	Week Ago	Month Ago	2 Month Ago	Year Ago
Delhi	Red	1350	-	1425	1320	-
Davangere	Bilty	1533	1563	1447	1347	1120
Naugachia	Bilty	1300	1250	1175	1050	1075
Nizamabad	Bilty	1500	1500	1390	-	-
Ahmedabad	Feed	1600	1580	1470	1300	1350
	Starch	1575	1575	1500	1300	1390

#### FOB, C&F – Maize at Various Destinations (USD/ton)

	Argentina	Brazil	US	India (Davangere Origin)
FOB	345.37	NA	308.27	NA
Cost and Freight (Thailand)	295.37	NA	368.27	NA

#### Soy Meal Exports (In MT):

Month	2009	2010	2011	2012	2013
Jan	521243	240318	574996	474993	620133
Feb	375098	220552	540360	344240	577589
Mar	224639	163666	410537	460464	320265
Apr	100106	60264	305033	313832	100311
May	77018	60575	176819	142588	97546
Jun	109923	98400	117600	180987	213564
Jul	58268	166632	139547	168341	
Aug	127299	176138	165510	10005	
Sep	171955	290868	225921	6525	
Oct	219721	404960	223594	49840	
Nov	297340	443488	397659	517103	
Dec	328225	611157	798041	510698	
<b>Total</b>	<b>2610835</b>	<b>2937018</b>	<b>4075617</b>	<b>2668918</b>	

**Feed Ingredient Prices at a Glance:**

<u>Commodity</u>	<u>State</u>	<u>Variety</u>	<u>Centre</u>	<u>12.07.2013</u>	<u>5.07.2013</u>	<u>Change</u>
Bajra	Karnataka	Hybrid	Bellary	1580	1591	-11
		Hybrid	Bangalore	1510	1510	Unch
Jowar	Karnataka	White	Bangalore	1800	1800	Unch
		White	Bellary	1441	1353	88
Maize	Karnataka	Yellow	Davangere	1475	-	-
	Andhra Pradesh	Yellow	Nizamabad	1450	1415	35
Rice	Haryana	IR8	Karnal	-	-	-
		Parmal Raw	Karnal	2400	2700	-300
Soy meal	Madhya Pradesh	DOC	Indore	34300	33200	1100
	Maharashtra	DOC	Sangli	35500	35500	Unch
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	21000	21000	Unch
	Maharashtra	Ex-factory	Latur	20300	20300	Unch
Mustard	Rajasthan	Plant delivery	Jaipur	14000	14200	-200
Groundnut Meal	Gujarat	GN Cake	Gondal	28000	27000	1000

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